

The Fiscal Freeze Act of 2010

Introduced by Senator Bayh (D-IN) and Senator McCain (R-AZ)

REIN IN SPENDING & REDUCE THE DEFICIT

I. Spending Freeze Until Deficit is Eliminated

The Bayh-McCain legislation will freeze non-security discretionary spending at today's levels and allow for no more than inflationary increases until we balance the federal budget.

II. Establishes Spending Targets

After we balance our budget, it's critical to ensure Congress cannot return to its wasteful ways. That is why the Bayh-McCain legislation will establish long-term spending and deficit reduction targets while creating strong, new enforcement mechanisms to ensure Congress achieves them. Bayh-McCain will lay a specific path and annual goals for spending and deficit reduction.

III. Earmark Moratorium Until Deficit is Eliminated

The Bayh-McCain legislation will place a moratorium on earmarks until our budget is balanced.

IV. Government Shutdown Prevention

Proponents of over-spending often use the threat of a government shutdown as leverage to jam huge, pork-filled appropriations bills through at the eleventh hour. Bayh-McCain takes this leverage away for fiscal year 2011 by creating an "automatic CR" that would fund the government at current levels if Congress fails to act in time.

V. Deficit Reduction Account

Bayh-McCain establishes a new deficit reduction account. All too often, when Congress generates revenue for the purpose of deficit reduction it simply ends up spending it on something else. This provision would create a new account set-aside specifically for deficit reduction where those funds would be protected.

ENFORCEMENT MECHANISMS

VI. Line-Item Veto

Bayh-McCain would create a constitutionally viable line-item veto that would give the President the power to strike out wasteful earmarks and other extraneous spending items from appropriations bills.

VII. Earmark Point of Order

Bayh-McCain creates a new 60-vote point of order against unauthorized earmarks and targets those that are air-dropped into conference reports.

VIII. Give the Budget the Force of Law

The annual Congressional Budget Resolution is a non-binding document that the President is not required to sign and does not carry the force of law. Bayh-McCain would make the Budget Resolution legally-binding, which would help bring order to our broken budget process.